

# PLANNING COMMISSION REPORT



MEETING DATE: October 27, 2004

ITEM NO. \_\_\_\_\_ GOAL: Coordinate Planning to Balance Infrastructure

## SUBJECT

**Desert Mountain Parcel 16 - 8-GP-2004 & 15-ZN-2004**

## REQUEST

Request to approve:

1. A non-major General Plan Amendment from Commercial to Urban Neighborhoods on an approximately 15-acre parcel located at 10525 N. Desert Hills Drive.
2. Rezoning from Central Business District, Environmentally Sensitive Lands (C-2 ESL) to Resort/Townhouse Residential District, Environmentally Sensitive Lands (R-4R ESL).

### Key Items for Consideration:

- Change in land use designation from commercial to residential.
- Effect of the following factors on lowering demand for conventional retail and service development:
  - decreased residential densities,
  - part-time residency, and
  - location in an outermost section of the City.
- Decrease in traffic generation with the residential use.

### Related References:

- Case 131-Z-1985 zoned the entire Desert Mountain master planned community into the City's zoning districts from Maricopa County.
- Case 31-ZN-1992 approved amended development standards for all R4-R zoning districts within Desert Mountain. The amended standards established three types of development: resort, detached and attached dwelling units.

## OWNER

Desert Mountain Properties  
480-595-4240

## APPLICANT CONTACT

Stephen Earl  
Earl, Curley & Lagarde  
602-265-0094

## LOCATION

10525 E Desert Hills Dr

## BACKGROUND

### General Plan.

The General Plan Land Use Element designates the property as Commercial. This category includes areas designated for commercial centers providing



goods and services frequently needed by the surrounding residential population. The category is intended for retail businesses, major single uses, and shopping centers, which may serve neighborhood, community or regional needs.

**Zoning.**

The site is currently zoned C-2 ESL. The C-2 district is intended for commercial uses to serve neighborhood and community needs, and is usually associated with the central business district and shopping facilities not ordinarily compatible with residential development.

**Context.**

The subject parcel is located within the Desert Mountain master planned community, at the southwest corner of Desert Hills Dr. and Cave Creek Road. Surrounding land uses and zoning are described in the table below.

<b>Direction from Site</b>	<b>General Plan Designation</b>	<b>Zoning</b>	<b>Existing Land Use</b>
<b>North</b>	Commercial and Suburban Neighborhoods	C-2, O-S and R1-10 ESL	Desert Mtn. Offices, Apache golf course, and Desert Fairways residential subdivision
<b>East</b>	Rural Neighborhoods	R1-43 ESL	Encellia residential subdivision
<b>South</b>	Rural Neighborhoods	R1-35 ESL	Desert Mtn. Village of Eagle Feather residential subdivision
<b>West</b>	Rural Neighborhoods	R1-35 ESL	Desert Mtn. Village of Eagle Feather residential subdivision

APPLICANT'S  
PROPOSAL

**Goal/Purpose of Request.**

This purpose of the request is to develop the subject property into a residential community of detached and attached units. In order to change the zoning to residential, a non-major General Plan amendment is required, in addition to the rezoning. This request includes 14.92 acres of a 22-acre parcel. The remaining portions of the parcel are proposed to maintain the existing C-2 zoning, but remain as natural area open space (NAOS).

**Key Issues.**

- Reduces the amount of available commercial land in the area.
- Provides additional residential uses and some variety in residential type in the area.

IMPACT ANALYSIS

**Land Use.**

General Plan

The proposed General Plan amendment replaces the Commercial designation with an Urban Neighborhoods designation. The Urban Neighborhoods designation includes areas of multi-family dwellings/apartments having a

density usually more than eight dwellings units per acre. In this case, the proposed density is 2.82 dwelling units per acre, however due to the multi-family component of the proposal, the Urban Neighborhoods designation is appropriate.

#### Density Reduction

According to the City's records, prior to annexation into the City, the County's plan for the Desert Mountain area called for 20,500 units on 9,570 acres. With the 1985 rezoning of Desert Mountain within the City, the plan was reduced to 4,712 units on 6,825 acres. By 1996, Desert Mountain was slated to have 3,450 residential units, all single family, and a resort with 1,050 units. Desert Mountain is planning on no more than 2,665 units, due to an agreement with Desert Mountain residents. Currently, 2396 units have been platted for development in Desert Mountain. Based on the reduction in residential units, and the nature of residents, who typically are part-time, there is a rationale for removing retail and office area within Desert Mountain. With the conversion of Parcel 16 to residential, 200,000 square feet of retail would still be available within Desert Mountain, at the northeast corner of Cave Creek and Pima Roads (Parcel 19).

#### Zoning

The rezoning to R-4R provides additional variety in residential choices, as the area is predominantly subdivided for large single-family lots. Desert Mountain does include other R-4R areas, to the west and north of the site, which are developed mostly for attached and detached units on small lots.

As part of the request for rezoning to R-4R, the applicant must provide a tentative site plan for Council approval. The proposed site plan (see Attachment #11) shows three triplex, fourteen duplex and 5 single residential buildings for a total 42 homes. The plan shows open space buffers provided at the perimeter of the project adjacent to single-family residential, Cave Creek Road and Desert Hills Drive. A 50-foot wide scenic corridor is planned along Cave Creek Road, which is consistent with the width provided elsewhere in Desert Mountain. Open space natural and amenity areas are provided centrally in the project. The plan also shows preservation of natural drainage features that traverse the site. Access to the site is from Desert Hills Road.

#### **Traffic.**

The applicant provided a trip generation report, which was analyzed by the Transportation Department. The change from commercial to residential will reduce the traffic generated from the site, and have no adverse impact on the surrounding roadways (i.e., Desert Hills and Cave Creek Road). The Desert Mountain community will generate fewer trips than originally planned, based on the overall reduced density.

#### **Water/Sewer.**

There are sewer and water lines available for this project. The proposed residential use will result in less demand for these resources.

#### **Police/Fire.**

Police and Fire Departments have reviewed this proposal and relayed no adverse impacts to existing service levels.

**Schools District comments/review.**

Cave Creek Unified School District has been notified of this application and determined little impact from the rezoning (see Attachment #8).

**Open space, scenic corridors.**

The applicant is providing an average 50-foot wide scenic corridor along Cave Creek Road. An equestrian trail currently exists along Cave Creek Road and was installed with the recent Cave Creek Road improvements.

**Community Involvement.**

The applicant notified property owners and homeowner's associations within 750 feet of the project, posted signs on the site and held an open house meeting on August 30, 2004. Ten people attended the open house meeting, and the applicant has received 5 telephone calls. One resident (in Desert Mountain) expressed opposition to the project, due to possible impact on golf memberships. The applicant's community involvement information is included with this report (Attachment #7). The City mailed information regarding the applications to property owners and homeowner's associations within 750 feet of the site at the time of application submittal, and prior to the Planning Commission public hearing. Staff has received no public comment regarding the applications to date.

**Community Impact.**

The proposed use will reduce traffic and provide a compatible use to the adjacent low-density residential uses. The zoning change has no adverse impact on existing commercial in the area, since the site is presently vacant. Existing commercial opportunities in the area include shopping centers in downtown Carefree (Basha's), in the Boulder's resort, at Scottsdale Road and Carefree Highway (Albertson's), and west of Whisper Rock on Scottsdale Road (The Summit with Target) (see Attachment #9). Negative community impact due to a reduction in future commercial is doubtful as the factors of reduced residential densities, location in the outermost northeast section of the city, and seasonal nature of area residents, together may exclude the economic feasibility of developing this site as retail commercial. In addition, 200,000 square feet of retail will still be available within Desert Mountain, at the northeast corner of Cave Creek and Pima Roads (Parcel 19) for future commercial development.

STAFF  
RECOMMENDATION

**Recommended Approach:**

Staff recommends approval, subject to the attached stipulations.

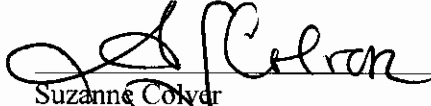
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DEPT(S)

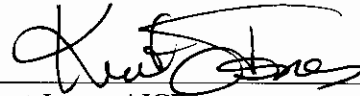
**Planning and Development Services Department**  
Current Planning Services

**STAFF CONTACT(S)**

Suzanne Colver  
Senior Planner  
480-312-7087  
E-mail: [scolver@ScottsdaleAZ.gov](mailto:scolver@ScottsdaleAZ.gov)

**APPROVED BY**

  
Suzanne Colver  
Report Author

  
Kurt Jones, AICP  
Director, Current Planning

**ATTACHMENTS**

1. Applicant's Narrative
2. Context Aerial
- 2A. Aerial Close-Up
3. Existing Land Use Map
- 3A. Proposed Land Use Map
4. Zoning Map
5. Stipulations
6. Traffic Impact Summary
7. Citizen Involvement
8. Response from School District
9. Commercial Located in the Area
10. City Notification Map
11. Site Plan

## **PROJECT NARRATIVE**

### **General Plan and Rezoning**

#### **DESERT MOUNTAIN**

#### **(A Portion of Parcel 16)**

*Revised September 24, 2004*

### **Overview**

Desert Mountain is a successful 8,000-acre master plan known as one of the premiere residential and recreational communities on both a national level and even international level.

The purpose of this application is to obtain approval to amend the General Plan designation on a very small portion of Desert Mountain, i.e. Parcel 16 (14.9 ac.) from Commercial to Urban Residential land use and rezone the property from C-2 to R-4R. Parcel 16 in its current configuration was created with the 1993 Desert Mountain Master Plan Amendment. Currently, Parcel 16 can be developed to allow 75,000 square feet of retail/commercial and 75,000 square feet of office with a maximum F.A.R. .15.

### **Proposed Amendments**

Implementation of this proposal requires approval of a Minor General Plan Amendment and a rezoning. Although the subject site is located on the perimeter of the Desert Mountain community and adjacent to Cave Creek Road, a regional road, the surrounding area has been developed with high-quality single-family master planned communities. The need for commercial or office development on this parcel has not materialized as originally envisioned in the original 1986 zoning (and as amended in 1993), and Desert Mountain now believes that low density residential land uses is a logical use of this property.

### **General Plan Amendment Analysis**

Desert Mountain was approved in 1985, 1986 and 1987 for a total of 5755 units throughout the master plan. Retail (700,000 s.f.) and office (580,000 s.f.) were approved for Parcel C and Parcel 16. In 1993, the amount of retail was reduced to approximately 275,000 s.f. due to the continuing reduction in overall residential density in the master plan. Residential units were reduced down to 4500.

This application, proposes to convert the subject site to residential use which would leave approximately 200,000 s.f. of retail on Parcel C ( now known as Parcel 19) which is enough to meet the daily and weekly retail needs for a population of 6,667 (2 persons/unit) using the County-wide average of 30 S.F. of retail per person. Desert Mountain however, is projected to only have a population of approximately 5,330 (2 persons/unit) because of an agreement with the

Desert Mountain residents that Desert Mountain will have a maximum of 2,665 units which are currently and will in the future be occupied by part-time residents. There is therefore an excess amount of retail zoning in Desert Mountain today and there will still be an excess amount of retail zoning if this amendment is approved.

Moreover, the need for commercial on this parcel has been diminished by the numerous commercial services that the Desert Mountain clubhouse system itself already offers. The Desert Mountain Club ("DMC") is comprised of six golf courses and six clubhouses which offer superior restaurants and services to an affluent membership. Such services include monthly social "lifestyle" events, catering for the entire property, as well as special catered events throughout the property at each club venue and in member homes. The DMC also manages and maintains food and beverage services to its members beyond the hours of operation of the various club dining rooms. The DMC provides casual to upscale dining (i.e. from "The Home of the Great Hamburgers, Sandwiches and Salads" to traditional dining venues comparable to Houston's, Eddie's Grill and Earl's). Additionally, the Sonoran Clubhouse provides an upscale boutique which offers men, women and children apparel as well as tennis and fitness apparel. The boutique also serves as a place where members can pick up items such as milk, gourmet snacks, eggs, etc. The Clubhouse also has a coffee shop featuring specialty coffees, smoothies, magazines and much more. Simply put, there is no compelling need for commercial services to be developed on this portion of Parcel 16. To further support our request, we have attached a table listing the various types of retail and services that are currently available in the larger north Scottsdale vicinity.

In terms of justifications for approval of this Minor General Plan Amendment, which we believe is consistent with the goals and policies of the General Plan guiding principles and elements, we offer the following:

#### *Character and Lifestyle*

The character and lifestyle element of the General Plan lists seven goals that, if adhered to, are presumed to preserve the various character types in Scottsdale. Specifically, this property being located in Desert Mountain already has an established character and lifestyle. The proposed amendment to allow development with residential units at this location is much more conducive to preserving that character and lifestyle of Desert Mountain and this general area than would the intrusion of a commercial center.

The site is currently mostly vacant. Desert Mountain's offices are located at the northwest corner of Desert Hills Drive and Cave Creek Road on a small portion of the Parcel 16 property and a City water pump station is located on the south side of Desert Hills Drive. Neither of these two improvements are on property that is a part of this application. North of the property, across Desert Hills Drive, is the Apache Golf Course and Desert Fairway subdivision which is part of Desert Mountain and the vacant undeveloped land that is west and south of the site is part of the Village of Eagle Feather. More single-family homes are located across Cave Creek Road east of the property. Although commercial use of the 14.9 ac. property is feasible, it is clearly not the preferred choice given all of the residential and golf course uses surrounding the property and the impact that it would have on the existing character and lifestyle.

### *Economic Vitality*

This general area of the City of Scottsdale is home to very high-end, high quality housing. There are ample commercial services available in proximity to these uses and their economic vitality is very strong. The economic vitality of Desert Mountain and the surrounding residential projects is also very good. Development of the property for residential use will build on the residential base of uses and reinforce values in the area. Development of the property with commercial or office use, again while feasible, is clearly not the most preferred choice for Desert Mountain residents or the other nearby residential areas.

### *Enhanced Neighborhoods*

Residential use of the property will reinforce or enhance the adjacent neighborhoods. It is supported by the community residents and adds additional high-end housing in the area. Use of this property for residential uses supports the City's general goal of enhancing neighborhoods.

### *Open Space*

This property being part of the Desert Mountain master plan has already contributed to open space and recreation. Ultimately, the development of the property will continue to utilize the environmentally sensitive development standards and practices of Desert Mountain and open space will be part of the residential project that will be built on the property.

### *Sustainability*

All public services and facilities necessary to serve this property are already in place because of the Desert Mountain master plan. Development of the property has always been envisioned and development of the property with residential use will have less impact but will have a greater positive impact on overall value than commercial development of the property. Therefore, approval of this request supports the City's goal of sustainable development.

Approval of this proposed Minor General Plan Amendment and rezoning will constitute an improvement to the overall Desert Mountain Master Plan.

### **Rezoning**

Approval of the Minor General Plan Amendment will enable the property to be rezoned to R-4R and be developed with approximately 42 attached/detached single family units using the existing amended R-4R development standards. This equals a density of approximately 2.9 du/ac. No changes are proposed to the existing amended standards for the R-4R district.

The 100' setback along Cave Creek Road required for Parcel 16 by stipulation no. 16 of case Z 131-ZN-85 was associated with the C-2 zoning of the property and the proposed non-residential use of the property. That setback is similar to the 100' setback that is required adjacent to the I-1 zoned property in Parcel 19 on the west side of Desert Mountain. With this project however, we



believe that the 100 setback is not necessary and are requesting that stipulation no. 16 be deleted. All of the other Desert Mountain residential uses having frontage along Cave Creek Road have provided a 50' deep scenic corridor along Cave Creek Road and Parcel 16 should do the same setback as a residential property.

The project will be built in one (1) phase.

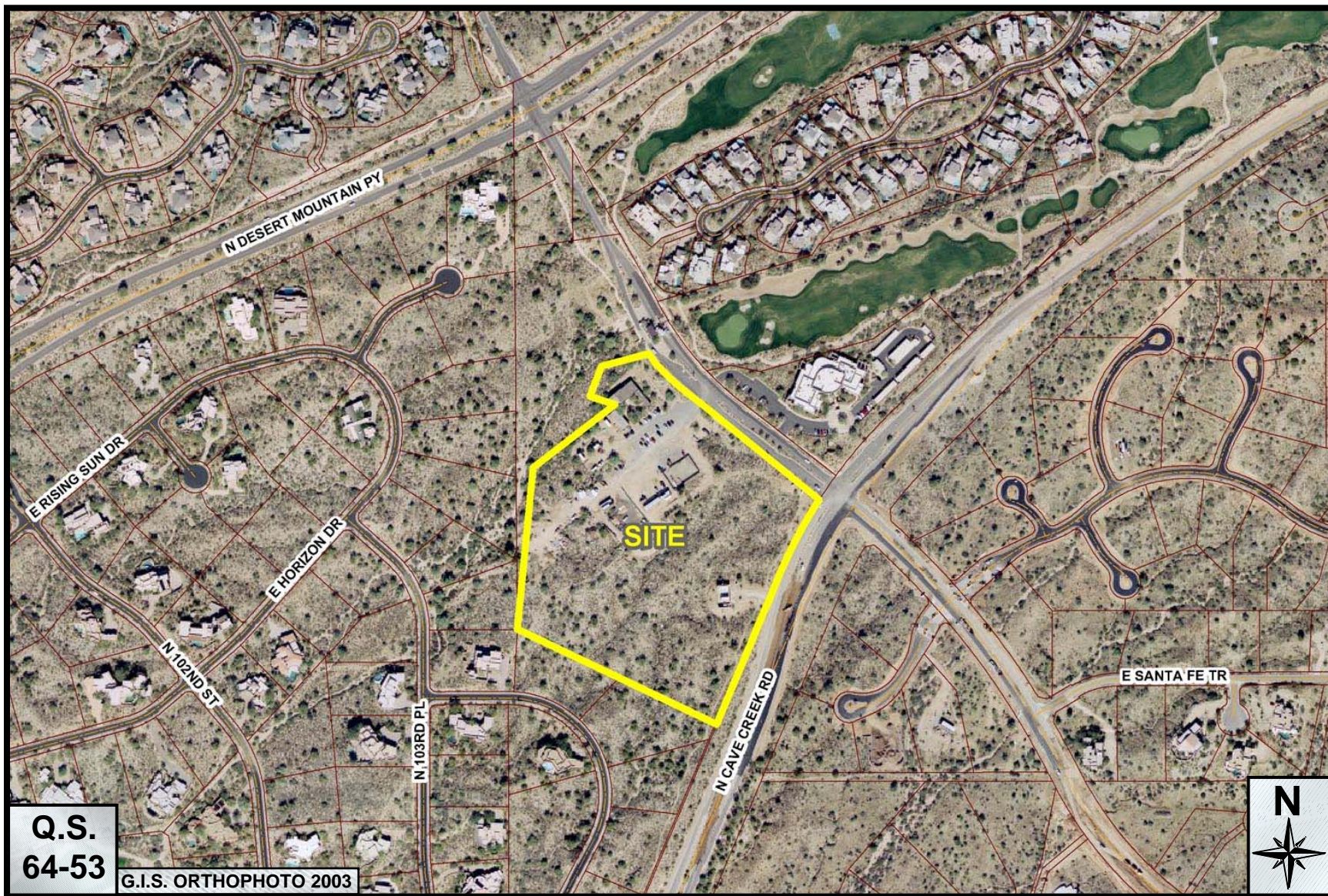
### **Conclusion**

Over the years, there have been several modifications to the Desert Mountain master plan that have been necessary to accommodate the environment, topography and market demands. All of these amendments once implemented have demonstrated the continuing dedication to exceptional high standards established for the Desert Mountain master plan community. This proposal to redesignate the property from commercial to urban residential is both appropriate and necessary to continue implementation of the Desert Mountain master plan.









Q.S.  
64-53

G.I.S. ORTHOPHOTO 2003

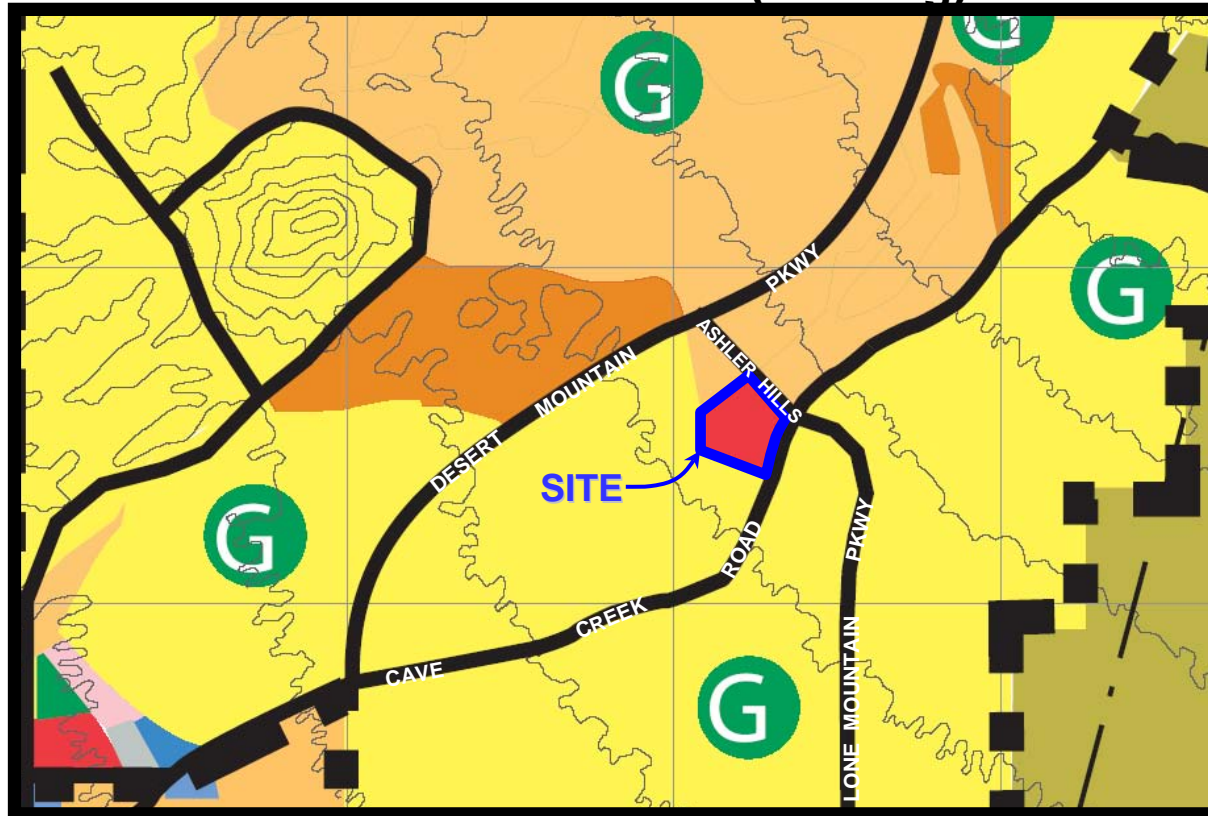
Desert Mountain Parcel 16

**15-ZN-2004 / 8-GP-2004**

ATTACHMENT #2A



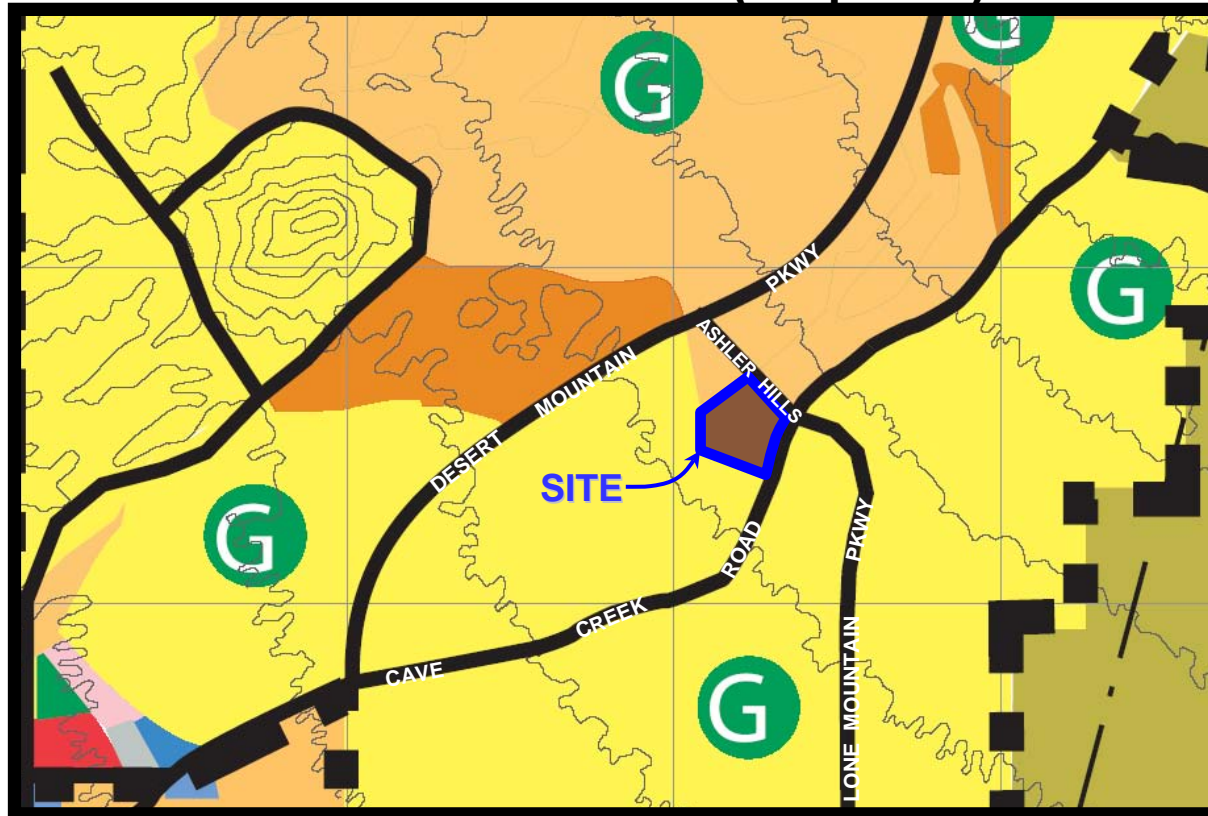
# General Plan (Existing)



**15-ZN-2004 /**  
**8-GP-2004**  
**ATTACHMENT #3**

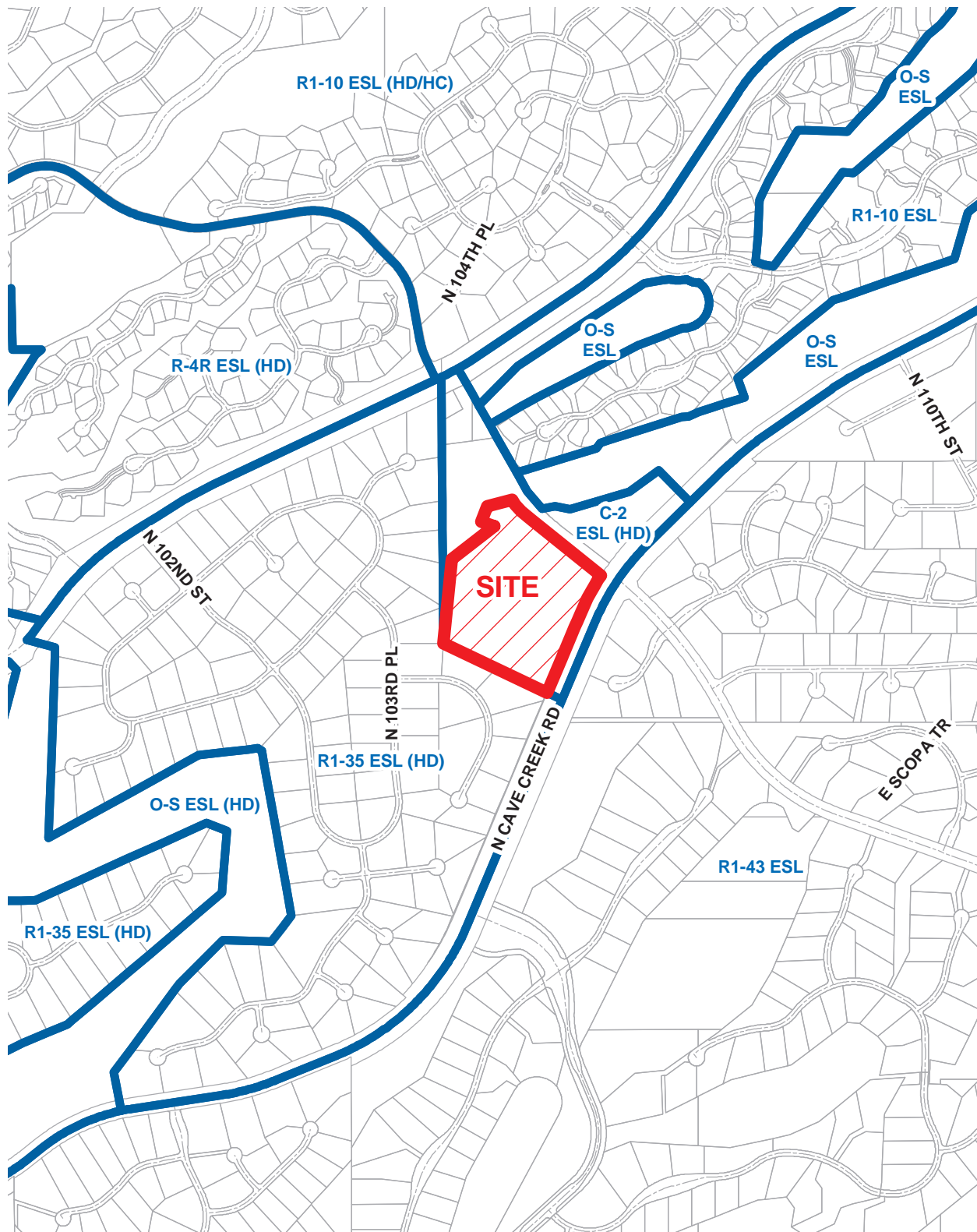
Adopted by City Council October 30, 2001  
 Ratified by Scottsdale voters March 12, 2002  
 revised to show McDowell Sonoran Preserve as of May 2004  
 revised to reflect General Plan amendments through June 2004

# General Plan (Proposed)



**15-ZN-2004 /**  
**8-GP-2004**  
**ATTACHMENT #3A**

Adopted by City Council October 30, 2001  
 Ratified by Scottsdale voters March 12, 2002  
 revised to show McDowell Sonoran Preserve as of May 2004  
 revised to reflect General Plan amendments through June 2004



15-ZN-2004 / 8-GP-2004

ATTACHMENT #4

## **STIPULATIONS FOR CASE 15-ZN-2004**

### **PLANNING/ DEVELOPMENT**

1. **CONFORMANCE TO SITE PLAN.** Development shall conform to the site plan submitted by DTJ Design and dated 7/8/2004 by the City. These stipulations take precedence over the above-referenced site plan. Any proposed significant change, as determined by the Zoning Administrator, shall be subject to subsequent public hearings before the Planning Commission and City Council.
2. **MAXIMUM DWELLING UNITS/MAXIMUM DENSITY.** The number of dwelling units on the site shall not exceed 42 without subsequent public hearings before the Planning Commission and City Council.
3. **CONFORMANCE TO AMENDED DEVELOPMENT STANDARDS.** Development shall conform to the approved amended development standards for Desert Mountain R4-R districts.
4. **SCENIC CORRIDORS.** The scenic corridor width along Cave Creek Road shall be an average width of 50 feet, minimum width of 40 feet, measured from the outside edge of the street right-of-way. The scenic corridor shall be dedicated by the Owner with the final plat, or in the case of no final plat, prior to the issuance of permits. Unless otherwise approved by the Development Review Board, the scenic corridor shall be left in a natural condition.
5. **SETBACKS.** A minimum 30-foot wide setback shall be provided adjacent to all perimeter streets and adjacent to all abutting R1 (single-family residential) districts.
6. **TRAILS.** A public access easement shall be provided over the entire scenic corridor width located adjacent to Cave Creek Road. Said public access easement shall be dedicated by the Owner with the final plat, or in the case of no final plat, prior to the issuance of permits.

### **ENVIRONMENTAL DESIGN**

1. **ALTERATIONS TO NATURAL WATERCOURSES.** Development shall comply with the provisions of the adopted Environmentally Sensitive Lands Overlay (ESLO) that address protection of water courses of 50 CFS or greater flow in a 100-year event.

### **CIRCULATION:**

1. **ACCESS RESTRICTIONS:** Development shall not access Cave Creek Road, except for public emergency access only.
2. **PRIVATE STREET CONSTRUCTION.** All private streets shall be constructed to full public street standards, except equivalent construction materials or wider cross-sections may be approved by city staff.
3. **RESPONSIBILITY FOR CONSTRUCTION OF INFRASTRUCTURE.** The developer shall be responsible for all improvements associated with the development or phase of the development and/or required for access or service to the development or phase of the development. Improvements shall include, but not be limited to washes, storm drains, drainage structures, water systems, sanitary sewer systems, curbs and gutters, paving, sidewalks, streetlights, street signs, and landscaping. The granting of zoning/use permit does not and shall not commit the city to provide any of these improvements.

**Desert Mountain Parcel 16  
8-GP-2004 & 15-ZN-2004**

Attachment #6. Traffic Impact Summary

The above attachment is on file at the City of  
Scottsdale Current Planning office,  
7447 E Indian School Road, Suite 105.



**Desert Mountain Parcel 16  
8-GP-2004 & 15-ZN-2004**

Attachment #7. Citizen Involvement

The above attachment is on file at the City of  
Scottsdale Current Planning office,  
7447 E Indian School Road, Suite 105.

**EARL, CURLEY & LAGARDE, P.C.**  
ATTORNEYS AT LAWTelephone (602) 265-0094  
Fax (602) 265-21953101 North Central Avenue  
Suite 1000  
Phoenix, Arizona 85012**TRANSMITTAL****TO:** Superintendent John Gordon  
PO Box 426  
Cave Creek, Arizona 85327**FROM:** Gary V. King *KG***DATE:** September 13, 2004**RE:** Desert Mountain Properties /

Parcel 16

THIS COMMUNICATION CONTAINS CONFIDENTIAL AND ATTORNEY-PRIVILEGED INFORMATION INTENDED FOR THE USE OF THE ABOVE DESIGNATED RECIPIENT ONLY AND NON-AUTHORIZED COPYING OR DISTRIBUTION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE CONTACT OUR OFFICE IMMEDIATELY. THANK YOU.

☒ **VIA FAX/NUMBER:**480-488-7055

# of Pages

4

Phone: 480-575-2016

(Including this page)

☐ **VIA MAIL**☐ **VIA MESSENGER****COMMENTS**

Transmitting to you a copy of the letter to the Property Owners and Neighborhood Associations dated August 18, 2004, for your information. It is important to note that only 42 units are being planned and these units are under the overall unit cap for all of Desert Mountain, which by agreement is 2,665 units. In the past, we are not aware of Desert Mountain generating school children in amounts that would concern the District. Your acknowledgment below that we have contacted you and that you are aware of this matter would be very much appreciated.

Acknowledged and agreed to  
this 14 day of Sept, 2004By: *[Signature]*  
Superintendent John Gordon*Little Impact -  
THANKS*

## **ATTACHMENT NO. 1**

**Retail and commercial services that is located in the north Scottsdale area and available to Desert Mountain residents.**

### **On Scottsdale Road at the:**

- |                             |  |
|-----------------------------|--|
| • NEC of Ashler Hills       | Target/ Safeway, retail shops and restaurants          |
| • Boulders Resort           | Retail shops and restaurants                           |
| • SEC of Carefree Highway   | Albertson's, Walgreen's, bank, retail and restaurants  |
| • NEC of Pinnacle Peak Road | Safeway, service station, retail, bank and restaurants |

### **On Pima Road at the:**

- |                             |  |
|-----------------------------|--|
| • NWC of Pinnacle Peak Road | Restaurants, shops and bank                |
| • SWC of Pinnacle Peak Road | Service station, offices and restaurants   |
| • NEC of Pinnacle Peak Road | Walgreens, retail, restaurants and offices |
| • SEC of Pinnacle Peak Road | AJ's, retail and restaurants               |

### **On Pinnacle Peak at the:**

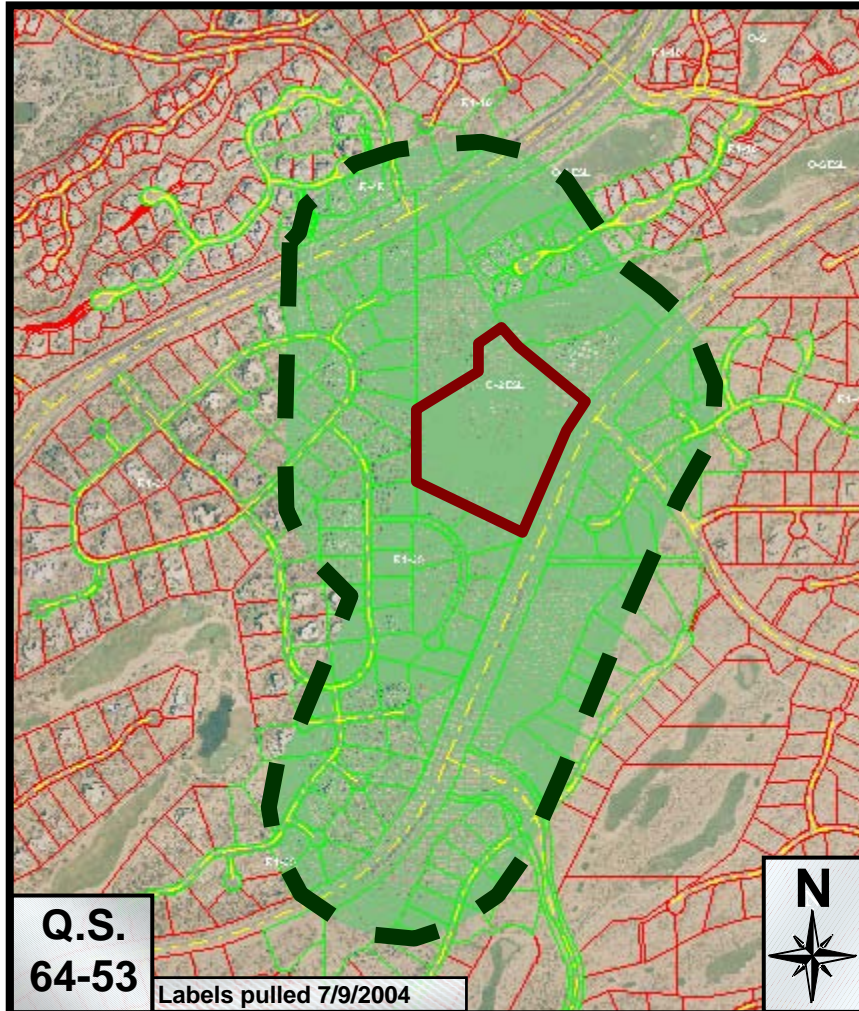
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| • SEC of Miller Road | Bank, retail and restaurants |
|----------------------|------------------------------|

### **On Alma School Road at the:**

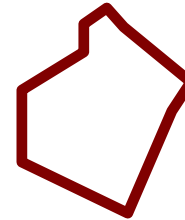
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| • SWC of Dynamite Road | Walgreens, service station and retail |
|------------------------|---------------------------------------|

*In addition to all of these centers, are the retail and service commercial uses located in the adjacent communities of Cave Creek and in Carefree including the Basha Center in downtown Carefree.*

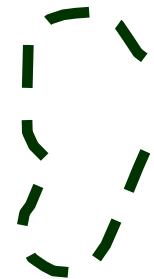
# City Notifications – Mailing List Selection Map



## Map Legend:



Site Boundary



Properties within 750-feet

## Additional Notifications:

- Interested Parties List
- Coalition of Pinnacle Peak
- Adjacent HOAs

# Desert Mountain Parcel 16

15-ZN-2004 & 8-GP-2004



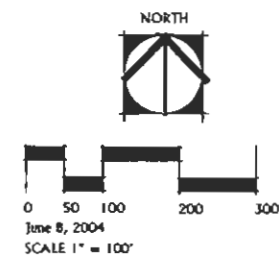
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Desert Mountain  
10000 N. 100th Ave., Suite 100  
Scottsdale, AZ 85258  
Phone: 480.345.7500  
Fax: 480.345.7501  
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DTM Design, Inc. 2004



Illustrative Site Plan



DESERT MOUNTAIN PARCEL 16  
REZONING APPLICATION  
CITY OF SCOTTSDALE, ARIZONA

1" = 100'
0 50 100 200 300
June 8, 2004
SCALE 1" = 100'
ILLUSTRATIVE SITE PLAN



DTM DESIGN, INC.  
10000 N. 100th Ave., Suite 100  
Scottsdale, AZ 85258  
Phone: 480.345.7500  
Fax: 480.345.7501  
www.dtmdesign.com

DESIGN  
LANDSCAPE ARCHITECTURE